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LEGISLATIVE HISTORY

Public Law 389--77th Congress

Chapter 641--1st Session

H. R. 5785

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RESPONSIBILITIES OF DISBURSING AND CERTIFYING OFFICERS. Makes disbursing officers accountable for disbursing only upon and in accordance with vouchers duly certified by the agency concerned, examination of vouchers to ascertain whether they are in proper form, duly certified and approved, and correctly computed on basis of facts certified. Makes certifying officers responsible for statements of fact and for legality of payment, and requires such officers to be bonded. Permits the Comptroller General to relieve a certifying officer for payment otherwise proper when certification was based on official records and the certifying officer did not and could not be expected to know the facts, the obligation was made in good faith, payment was not contrary to specific legal prohibition, and value was received, and requires the Comptroller General to relieve the certifying officer of liability for overpayment for transportation when overpayment occurred solely because administrative examination made prior to payment did not include verification of transportation rates, freight classifications, or land-grant deductions.

INDEX AND SUMMARY OF HISTORY ON H. R. 5785

June 16, 1941	H. R. 5064 was introduced by Rep. Cochran and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Similar bill).
October 7, 1941	H. R. 5785 was introduced by Rep. Cochran and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced.
October 15, 1941	The House Committee reported H. R. 5785 without amendment. House Report 1263. Print of the bill as reported.
October 21, 1941	H. R. 5785 was discussed in the House and passed as reported.
October 23, 1941	H. R. 5785 was referred to the Senate Committee on Expenditures in the Executive Departments. Print of the bill as referred.
December 17, 1941	Senate Committee reported H. R. 5785 without amendment. Senate Report 916. Print of the bill as reported.
December 19, 1941	Senate debated H. R. 5785 and passed it with amendment. House concurred in the Senate amendment.
December 29, 1941	Approved. Public Law 380.

77TH CONGRESS
1ST SESSION

H. R. 5064



IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1941

Mr. COCHRAN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To fix the responsibilities of disbursing and certifying officers, and
for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That hereafter, notwithstanding the provisions of the Act of
4 August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and section
5 4 of Executive Order Numbered 6166, dated June 10, 1933,
6 disbursing officers under the executive branch of the Govern-
7 ment shall (1) disburse moneys only upon, and in strict ac-
8 cordance with, vouchers duly certified by the head of the
9 department, establishment, or agency concerned, or by an
10 officer or employee thereof duly authorized in writing by such
11 head to certify such vouchers; (2) make such examination

1 of vouchers as may be necessary to ascertain whether they
2 are in proper form, duly certified and approved, and correctly
3 computed on the basis of the facts certified; and (3) be held
4 accountable accordingly.

5 SEC. 2. The officer or employee certifying a voucher shall
6 (1) be held responsible for the existence and correctness
7 of the facts recited in the certificate or otherwise stated on
8 the voucher or its supporting papers and for the legality of
9 the proposed payment under the appropriation or fund in-
10 volved; (2) be required to give bond to the United States,
11 with good and sufficient surety approved by the Secretary of
12 the Treasury, in such amount as may be determined by the
13 head of the department, agency, or establishment concerned,
14 pursuant to standards prescribed by the Secretary of the
15 Treasury, and under such conditions as may be prescribed
16 by the Secretary of the Treasury; and (3) be held account-
17 able for and required to make good to the United States
18 the amount of any illegal, improper, or incorrect payment
19 resulting from any false, inaccurate, or misleading certificate
20 made by him, as well as for any payment prohibited by law
21 or which did not represent a legal obligation under the ap-
22 propriation or fund involved: *Provided*, That the Comptroller
23 General may, in his discretion, relieve such certifying officer
24 or employee of liability for any payment otherwise proper
25 whenever he finds (1) that the certification was based on

1 official records and that such certifying officer or employee
2 did not know, and by reasonable diligence and inquiry could
3 not have ascertained, the actual facts, or (2) that the obli-
4 gation was incurred in good faith, that the payment was
5 not contrary to any statutory provision specifically prohibit-
6 ing payments of the character involved and that the United
7 States has received value for such payment.

8 SEC. 3. The liability of certifying officers or employees
9 shall be enforced in the same manner and to the same extent
10 as now provided by law with respect to enforcement of the
11 liability of disbursing and other accountable officers; and they
12 shall have the right to apply for and obtain a decision by
13 the Comptroller General on any question of law involved
14 in a payment on any vouchers presented to them for certifi-
15 cation.

A BILL

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

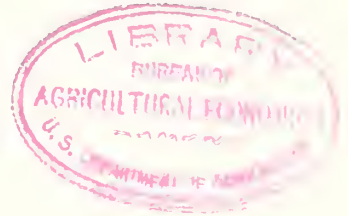
By Mr. COCHRAN

JUNE 16, 1941

Referred to the Committee on Expenditures in the
Executive Departments

77TH CONGRESS
1ST SESSION

H. R. 5785



IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1941

Mr. COCHRAN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To fix the responsibilities of disbursing and certifying officers,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That hereafter, notwithstanding the provisions of the Act
4 of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and
5 section 4 of Executive Order Numbered 6166, dated June 10,
6 1933, disbursing officers under the executive branch of the
7 Government shall (1) disburse moneys only upon, and in
8 strict accordance with, vouchers duly certified by the head
9 of the department, establishment, or agency concerned, or
10 by an officer or employee thereof duly authorized in writing
11 by such head to certify such vouchers; (2) make such

1 examination of vouchers as may be necessary to ascertain
2 whether they are in proper form, duly certified and approved,
3 and correctly computed on the basis of the facts certified;
4 and (3) be held accountable accordingly.

5 SEC. 2. The officer or employee certifying a voucher
6 shall (1) be held responsible for the existence and correctness
7 of the facts recited in the certificate or otherwise stated on
8 the voucher or its supporting papers and for the legality of
9 the proposed payment under the appropriation or fund in-
10 volved; (2) be required to give bond to the United States,
11 with good and sufficient surety approved by the Secretary of
12 the Treasury, in such amount as may be determined by the
13 head of the department, agency, or establishment concerned,
14 pursuant to standards prescribed by the Secretary of the
15 Treasury, and under such conditions as may be prescribed by
16 the Secretary of the Treasury; and (3) be held accountable
17 for and required to make good to the United States the
18 amount of any illegal, improper, or incorrect payment result-
19 ing from any false, inaccurate, or misleading certificate made
20 by him, as well as for any payment prohibited by law or
21 which did not represent a legal obligation under the appro-
22 priation or fund involved: *Provided*, That the Comptroller
23 General may, in his discretion, relieve such certifying officer
24 or employee of liability for any payment otherwise proper
25 whenever he finds (1) that the certification was based on

1 official records and that such certifying officer or employee
2 did not know, and by reasonable diligence and inquiry could
3 not have ascertained, the actual facts, or (2) that the obliga-
4 tion was incurred in good faith, that the payment was not
5 contrary to any statutory provision specifically prohibiting
6 payments of the character involved, and that the United
7 States has received value for such payment: *Provided fur-*
8 *ther*, That the Comptroller General shall relieve such certify-
9 ing officer or employee of liability for an overpayment for
10 transportation services made to any common carrier covered
11 by title III, part II, section 322, of the Transportation Act
12 of 1940, approved September 18, 1940, whenever he finds
13 that the overpayment occurred solely because the adminis-
14 trative examination made prior to payment of the transporta-
15 tion bill did not include a verification of transportation rates,
16 freight classifications, or land-grant deductions.

17 SEC. 3. The liability of certifying officers or employees
18 shall be enforced in the same manner and to the same extent
19 as now provided by law with respect to enforcement of the
20 liability of disbursing and other accountable officers; and they
21 shall have the right to apply for and obtain a decision by
22 the Comptroller General on any question of law in-
23 volved in a payment on any vouchers presented to them
24 for certification.

25 SEC. 4. Nothing contained herein shall apply to the

1 disbursing functions under the jurisdiction of the War Depart-
2 ment, the Navy Department (including the Marine Corps),
3 and the Panama Canal, except those pertaining to depart-
4 mental salaries and expenses in the District of Columbia.



A BILL

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

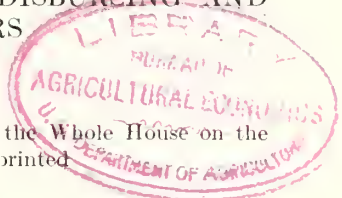
By Mr. COCHRAN

OCTOBER 7, 1941

Referred to the Committee on Expenditures in the
Executive Departments

FIXING THE RESPONSIBILITIES OF DISBURSING AND CERTIFYING OFFICERS

OCTOBER 15, 1941.—Committed to the Committee of the Whole House on the
state of the Union and ordered to be printed



Mr. COCHRAN, from the Committee on Expenditures in the Executive
Departments, submitted the following

REPORT

[To accompany H. R. 5785]

The Committee on Expenditures in the Executive Departments, to
whom was referred the bill (H. R. 5785) to fix the responsibilities
of disbursing and certifying officers and for other purposes, having
considered the same, report favorably thereon without amendment
and recommend that the bill do pass.

To accomplish the purposes of the bill, the Comptroller General
of the United States, in his annual report for the fiscal year ended
June 30, 1940, strongly urged enactment of legislation in a recommen-
dation as follows:

DUTIES AND RESPONSIBILITIES OF CERTIFYING AND DISBURSING OFFICERS

The act of August 23, 1912 (37 Stat. 375, as amended, 31 U. S. C. '82),
provides:

"Except as otherwise provided, the administrative examination of all public
accounts, preliminary to their audit by the General Accounting Office, shall be
made as contemplated by section 78 of this title, and all vouchers and pay rolls
shall be prepared and examined by and through the administrative heads of
divisions and bureaus in the executive departments and not by the disbursing
clerks of said departments, except those vouchers prepared outside of Washington
prior to August 23, 1912, may continue to be so prepared and the disbursing officers
shall make only such examination of vouchers as may be necessary to ascertain
whether they represent legal claims against the United States."

Considerable doubt and difference of opinion have been manifested from time
to time as to the effect and application of this provision of law, particularly as
relates to liability of disbursing officers in cases of illegal or erroneous payments
and the nature and extent of the examination required in order to satisfy the
requirement that such officers shall ascertain whether vouchers and pay rolls
"represent legal claims against the United States." The extent of the duties and
responsibilities of disbursing officers has become even more doubtful as a result
of the following provisions of section 4 of Executive Order No. 6166, dated June
10, 1933:

"The Division of Disbursement of the Treasury Department is authorized to establish local offices, or to delegate the exercise of its functions locally to officers or employees of other agencies, according as the interests of efficiency and economy may require.

"The Division of Disbursement shall disburse moneys only upon the certification of persons by law duly authorized to incur obligations upon behalf of the United States. The function of accountability for improper certification shall be transferred to such persons, and no disbursing officer shall be held accountable therefor."

It is unnecessary for present purposes to analyze, or even to state, the various views which have been presented respecting the liability of disbursing and certifying officers under particular circumstances. Suffice it to say that considerable confusion exists as to the exact nature and extent of the duties and responsibilities of these two classes of officials. The result is a natural tendency on the part of some disbursing officers to feel that they are entitled to accept and rely upon the certificate of a certifying officer and that in the event of an illegal or erroneous payment the responsibility lies with the certifying officer; whereas some certifying officers, believing that the final responsibility for illegal and erroneous payments rests with the disbursing officer who makes the payment and who is a bonded official, may be inclined to assume that the certification of vouchers and pay rolls is merely a perfunctory duty.

It is essential to the enforcement of strict accountability for all expenditures of public funds that the duties and responsibilities of disbursing and certifying officers be made as definite and clear as possible. Also, it is considered desirable that, as between these two classes of officials, accounting responsibility in the case of improper expenditures be so divided and allocated as to provide the closest possible relationship between liability and fault. In other words, it is considered essential not only that the division of duty and responsibility be plainly and explicitly stated but that the division be on such a basis that the official who is in the best position to know the facts and the nature and validity of a given expenditure be held responsible for any improper payments made.

Considering the vast number of payments which disbursing officers are required to make—particularly disbursing officers in the Division of Disbursement, Treasury Department, who are required to disburse for so many different departments and establishments—it is apparent that it is impossible for them to make a thorough and exhaustive examination respecting each expenditure and that reliance must of necessity be placed upon the facts as shown on the vouchers and in the certificates made by the certifying officer. Accordingly, it is believed that the official who certifies to facts as shown on the vouchers and pay rolls, who asserts that the amount claimed is due and payable, and who is presumed to know the facts and the terms of the appropriation proposed to be charged, should be required to assume greater responsibility in the case of an improper payment than the disbursing officer who makes the payment in reliance upon that certification. Also, in order that adequate protection may be provided for the United States in the event of improper payments for which a certifying officer is responsible, it is necessary that such officials be bonded.

In some cases, of course, unauthorized payments will occur regardless of the degree of care and diligence exercised by certifying and disbursing officers and entirely without their fault or negligence. In such cases it is believed that these officers should not be held unqualifiedly answerable for the resulting loss. However, there appears to be a growing tendency on the part of administrative officials to sponsor legislation for the relief of disbursing officers in the case of improper payments without making a proper distinction between cases where the payment could have been prevented by the exercise of due diligence and cases where officials are wholly free from blame. Also, there appears to be an increasing number of appeals to the Congress for the granting of relief to disbursing officers and their sureties. For instance, the Seventy-sixth Congress, alone, enacted into law up to August 10, 1940, a total of over 30 private and public acts for the relief of such officers. The extent of the relief thus granted may be illustrated by the fact that in a number of instances these relief acts have not merely provided relief in the case of a single disbursing officer but have been in the form of omnibus bills covering relief for a large number of officers in a single enactment. Typical of this type of enactment is Private, No. 485, Seventy-sixth Congress, approved July 11, 1940, for the relief of certain disbursing officers of the Veterans' Administration, under the terms of which relief was granted to 35 disbursing

officers in a total exceeding \$100,000. Similarly, by Public, No. 34, Seventy-sixth Congress, approved April 13, 1939, relief was granted in the case of 23 accountable officers of the United States Army.

It is believed that if the Congress will define more clearly the respective responsibilities of disbursing and certifying officers and will vest in the Comptroller General authority to grant relief in cases where the freedom from fault and negligence is established, there will be greatly reduced the number of appeals to the Congress for relief of accountable officers such as are now being annually submitted. Furthermore, as the General Accounting Office would be prepared to make a careful and prompt analysis of the merits of each individual request for relief, it is believed that the handling of such matters by the Comptroller General would minimize the likelihood that relief would be granted in other than clearly meritorious cases. Then as to the less meritorious cases which might be presented to the Congress for consideration after the Comptroller General had denied relief therein, there could be made available to the Congress a full statement of the facts and of the reasons for withholding relief. Thus, not only would the number of appeals to the Congress for relief in such cases be reduced to a minimum but there would be available to the Congress an adequate record for its use in assessing the merits of such requests as would be presented to it.

To accomplish the purposes above mentioned, there is recommended the enactment of legislation to provide substantially as follows:

"That hereafter, notwithstanding the provisions of the Act of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and section 4 of Executive Order Numbered 6166, dated June 10, 1933, disbursing officers under the executive branch of the Government shall (1) disburse moneys only upon, and in strict accordance with, vouchers duly certified by the head of the department, establishment, or agency concerned, or by an officer or employee thereof duly authorized in writing by such head to certify such vouchers; (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, duly certified and approved, and correctly computed on the basis of the facts certified; and (3) be held accountable accordingly.

"SEC. 2. The officer or employee certifying a voucher shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be required to give bond to the United States, with good and sufficient surety approved by the Secretary of the Treasury, in such amount [and under such conditions as may be prescribed by the Comptroller General of the United States] as may be determined by the head of the department, agency, or establishment concerned, pursuant to standards prescribed by the Secretary of the Treasury, and under such conditions as may be prescribed by the Secretary of the Treasury; and (3) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: *Provided*, That the Comptroller General may, in his discretion, relieve such certifying officer or employee of liability for any [otherwise proper] payment otherwise proper [based on an erroneous statement of fact] whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and that the United States has received value for such payment: *Provided further*, That the Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by title III, part II, section 322, of the Transportation Act of 1940, approved September 18, 1940, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land-grant deductions.

"SEC. 3. The liability of certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.

"SEC. 4. Nothing contained herein shall apply to the disbursing functions under the jurisdiction of the War Department, the Navy Department (including the Marine Corps), and the Panama Canal, except those pertaining to departmental salaries and expenses in the District of Columbia."

The bill varies from the language recommended by the Comptroller General only as shown by deletions, and additions in italics. The variations shown represent changes subsequently prepared and agreed upon by representatives of the Comptroller General's Office, the Treasury Department, and the Bureau of the Budget and are regarded by the committee as desirable.

The provisions of the bill will (1) fix definitely the responsibilities of disbursing and certifying officers and remove the existing doubt which leaves uncertain the beginning and ending of the responsibility of each of these groups of officers and (2) require that certifying officers be bonded as are disbursing officers under existing law, thus providing for the Government the complete bonded responsibility of both of these groups of officers.

For reasons which adequately appear in the above recommendation of the Comptroller General the committee feel that the bill will meet an important and urgent need of the Government.



Union Calendar No. 436

77TH CONGRESS
1ST SESSION

H. R. 5785

[Report No. 1263]

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 7, 1941

Mr. COCHRAN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

OCTOBER 15, 1941

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

A BILL

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That hereafter, notwithstanding the provisions of the Act
4 of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and
5 section 4 of Executive Order Numbered 6166, dated June 10,
6 1933, disbursing officers under the executive branch of the
7 Government shall (1) disburse moneys only upon, and in
8 strict accordance with, vouchers duly certified by the head
9 of the department, establishment, or agency concerned, or
10 by an officer or employee thereof duly authorized in writing

1 by such head to certify such vouchers; (2) make such
2 examination of vouchers as may be necessary to ascertain
3 whether they are in proper form, duly certified and approved,
4 and correctly computed on the basis of the facts certified;
5 and (3) be held accountable accordingly.

6 SEC. 2. The officer or employee certifying a voucher
7 shall (1) be held responsible for the existence and correctness
8 of the facts recited in the certificate or otherwise stated on
9 the voucher or its supporting papers and for the legality of
10 the proposed payment under the appropriation or fund in-
11 volved; (2) be required to give bond to the United States,
12 with good and sufficient surety approved by the Secretary of
13 the Treasury, in such amount as may be determined by the
14 head of the department, agency, or establishment concerned,
15 pursuant to standards prescribed by the Secretary of the
16 Treasury, and under such conditions as may be prescribed by
17 the Secretary of the Treasury; and (3) be held accountable
18 for and required to make good to the United States the
19 amount of any illegal, improper, or incorrect payment result-
20 ing from any false, inaccurate, or misleading certificate made
21 by him, as well as for any payment prohibited by law or
22 which did not represent a legal obligation under the appro-
23 priation or fund involved: *Provided*, That the Comptroller
24 General may, in his discretion, relieve such certifying officer
25 or employee of liability for any payment otherwise proper

1 whenever he finds (1) that the certification was based on
2 official records and that such certifying officer or employee
3 did not know, and by reasonable diligence and inquiry could
4 not have ascertained, the actual facts, or (2) that the obliga-
5 tion was incurred in good faith, that the payment was not
6 contrary to any statutory provision specifically prohibiting
7 payments of the character involved, and that the United
8 States has received value for such payment: *Provided fur-*
9 *ther*, That the Comptroller General shall relieve such certify-
10 ing officer or employee of liability for an overpayment for
11 transportation services made to any common carrier covered
12 by title III, part II, section 322, of the Transportation Act
13 of 1940, approved September 18, 1940, whenever he finds
14 that the overpayment occurred solely because the adminis-
15 trative examination made prior to payment of the transporta-
16 tion bill did not include a verification of transportation rates,
17 freight classifications, or land-grant deductions.

18 SEC. 3. The liability of certifying officers or employees
19 shall be enforced in the same manner and to the same extent
20 as now provided by law with respect to enforcement of the
21 liability of disbursing and other accountable officers; and they
22 shall have the right to apply for and obtain a decision by
23 the Comptroller General on any question of law in-
24 volved in a payment on any vouchers presented to them
25 for certification.

77TH CONGRESS
1ST SESSION**H. R. 5785**

[Report No. 1263]

A BILL

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

By Mr. COCHRAN

OCTOBER 7, 1941

Referred to the Committee on Expenditures in the Executive Departments

OCTOBER 15, 1941

Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

1 SEC. 4. Nothing contained herein shall apply to the
2 disbursing functions under the jurisdiction of the War Depart-
3 ment, the Navy Department (including the Marine Corps),
4 and the Panama Canal, except those pertaining to depart-
5 mental salaries and expenses in the District of Columbia.

SEC. 4. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to requisition or purchase vessels pursuant to the provisions of this Act, but applicable appropriations for the Coast Guard shall be available for the operation, maintenance, and repair of any vessel acquired pursuant to the provisions of this Act.

SEC. 5. In the event the Coast Guard should operate as a part of the Navy during any period of national emergency, the authority conferred by this Act upon the Secretary of the Treasury shall vest in, and be exercised by, the Secretary of the Navy.

With the following committee amendment:

Strike out all after the enacting clause and insert:

"That, during any period of national emergency proclaimed by the President, the Secretary of the Treasury is authorized to purchase, or accept as a gift, for the use of the Coast Guard in the performance of its maritime police functions, any motorboat, yacht, or other small craft owned by a citizen or citizens of the United States and suitable for patrolling harbors, bays, roadsteads, and other navigable waters of the United States

"Sec. 2. The purchase of any vessel pursuant to the provisions of this act may be made without regard to the provisions of section 3709. Revised Statutes (U. S. C., title 41, sec. 5).

"Sec. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount as may be necessary to purchase vessels pursuant to the provisions of this act.

"Sec. 4. In the event the Coast Guard should operate as a part of the Navy during any period of national emergency, the authority conferred by this act upon the Secretary of the Treasury shall vest in, and be exercised by, the Secretary of the Navy."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The title was amended so as to read: "A bill to authorize the Secretary of the Treasury to purchase or accept as gifts motorboats, yachts, and similar vessels for Coast Guard use."

LOANS TO GOVERNMENT EMPLOYEES

The Clerk called the next bill, H. R. 1433, to prohibit making or collecting loans to Government employees on Government property.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH of Virginia. I object, Mr. Speaker.

CIRCUIT COURTS OF APPEALS

The Clerk called the next bill, H. R. 3390, to amend section 117 of the Judicial Code, as amended, with respect to the constitution of circuit courts of appeals.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 117 of the Judicial Code, as amended (U. S. C., title 28, sec. 212), is amended to read as follows:

"Sec. 117. There shall be in each circuit a circuit court of appeals, which shall consist of three judges, of whom two shall constitute a quorum, which shall be a court of record, with appellate jurisdiction, as hereinafter limited and established: *Provided*, That, in a

circuit where there are more than three circuit judges, the majority of the circuit judges may provide for a court of all the active and available circuit judges of the circuit to sit in banc for the hearing of particular cases, when in their opinion such action is advisable."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARMY OF OCCUPATION OF GERMANY MEDAL

The Clerk called the next bill, H. R. 5750, authorizing the procurement and issuance of an Army of Occupation of Germany Medal for each person who served in Germany as a member of the Army of Occupation.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and directed to procure and issue an Army of Occupation of Germany Medal of appropriate design, including suitable appurtenances, to be issued to each officer and enlisted man, or to the nearest of kin surviving of those deceased, who served in Germany as a member of the Army of Occupation at any time during the inclusive period from November 12, 1918, to July 11, 1923: *Provided*, That such medals and appurtenances shall not be issued in cases where the person has, during or subsequent to service in the Army of Occupation of Germany, been dismissed or discharged other than honorably from the service or deserted.

Mr. FADDIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FADDIS: On page 1, line 6, after "enlisted man", insert "of the armed forces."

In line 8, after "Germany", strike out "as a member of the Army of" and insert "or Austria-Hungary during the period of."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAY AND ALLOWANCES AND MILEAGE OR TRANSPORTATION FOR CERTAIN OFFICERS AND ENLISTED MEN

The Clerk called the next bill, S. 1701, to provide for pay and allowances and mileage or transportation for certain officers and enlisted men of the Naval Reserve and Marine Corps Reserve and retired officers and enlisted men of the Navy and Marine Corps.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That officers and enlisted men of the Naval Reserve and Marine Corps Reserve and retired officers and enlisted men of the Navy and Marine Corps who were ordered to active duty on or after September 8, 1939, contingent on physical qualification therefor, and who were found physically qualified, and reported for duty under such orders, shall be entitled to active-duty pay and allowances and to transportation or mileage for the time and distances actually required to perform the necessary travel by the shortest usually traveled route from home to place of active duty, via the place of physical examination, and for the time actually required in undergoing the physical examination: *Provided*, That such personnel examined and found not physically qualified for active duty and who returned to the place designated in their

orders shall be entitled only to transportation or mileage from home to place of physical examination and return.

SEC. 2. In case of travel heretofore performed by such personnel since September 3, 1939, the Comptroller General of the United States is authorized and directed to allow pay and allowances and transportation or mileage as provided in section 1 of this act.

With the following committee amendment:

On page 2, beginning in line 10, strike out down to and including line 14, and insert the following:

"Sec. 2. Officers and enlisted men of the Naval Reserve and Marine Corps Reserve and retired officers and enlisted men of the Navy and Marine Corps (of grades entitled to transportation for dependents in the Regular Navy or Marine Corps) who were ordered to active duty (other than training duty) on or after September 8, 1939, and who reported for duty under such orders, shall be entitled to transportation for their dependents to the place of reporting for active duty.

"Sec. 3. In case of travel heretofore performed, as provided in section 2 of this act, by such personnel and their dependents, the Comptroller General of the United States is authorized and directed to allow pay and allowances, and transportation or mileage as provided in this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

AMENDMENT OF THE ORGANIC ACT OF ALASKA

The Clerk called the next bill, H. R. 5458, to amend the Organic Act of Alaska.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 4 of the act entitled "An act to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes," approved August 24, 1912 (37 Stat. 512), is amended to read as follows:

"Sec. 4. The Legislature. (a) The legislative power and authority of the Territory shall be vested in a legislature, which shall consist of a senate and a house of representatives. The senate shall consist of 16 members, four from each of the four judicial divisions into which Alaska is now divided by act of Congress, each of whom shall have at the time of his election the qualifications of an elector in Alaska, and shall have been a resident and an inhabitant in the division from which he is elected for at least 2 years prior to the time of his election. The term of office of each member of the senate shall be 4 years, except that at the general election in Alaska in 1942 one member from each division, other than a member elected to fill the unexpired term of a senator previously elected, shall be elected for a term of 2 years.

"(b) The house of representatives shall consist of 24 members elected from the four judicial divisions into which Alaska is now divided by act of Congress. Each such division shall be entitled in the sixteenth to the twentieth legislatures, inclusive, to the following number of representatives:

"First judicial division, eight representatives;

"Second judicial division, four representatives;

"Third judicial division, seven representatives; and

"Fourth judicial division, five representatives.

"The United States Director of the Census shall, within 1 week after the first meeting

of the twentieth legislature and of each fifth legislature thereafter, certify to such legislature, and to the Secretary of Alaska, the number of representatives to which each judicial division is entitled under an apportionment, according to the method of equal proportions, of the total number of representatives among the various divisions on the basis of the total population (exclusive of members of the military or naval forces of the United States and members of their families not actual and bona fide residents of Alaska) of each division, as determined under the latest United States Decennial Census. Each judicial division shall in the five legislatures succeeding the legislature to which such certification is made be entitled to the number of representatives so certified. The term of office of each representative shall be 2 years, and each representative shall possess the same qualifications as are prescribed for members of the senate.

"(c) (1) The legislature is authorized to establish, and to adjust from time to time, legislative districts within the several judicial divisions for the election of the members of the senate and house of representatives from such divisions. Districts separate from those established for the election of members of the house of representatives may be established for the election of members of the senate. All districts in any division for the election of members of the same body shall be as nearly equal in population and shall be established with as great a degree of geographical unity and cohesiveness, as is reasonable and practicable, and shall elect the same number of members, unless it shall be found desirable to provide districts around municipalities of a multiple size in which case proportionate representation shall be provided.

"(2) Whenever the representation of any division shall increase or decrease by reason of a reapportionment under subsection (b), the legislature shall cause such division to be redistricted in accordance with the provisions of subdivision (1) of this subsection. If the legislature to which such certification of reapportionment is made fails to so redistrict, the representatives of such division shall be elected at large from such division in the manner provided in subsection (d) for the election of representatives prior to the establishment of legislative districts, until such time as such division is so redistricted.

"(3) Whenever the legislature shall have established legislative districts for the election of members of the senate, the terms of office of all members of the senate in the legislature immediately preceding the legislature to which the members of the senate are first to be elected by district shall, regardless of the term for which such members were elected, expire with the expiration of such preceding legislature. As soon as the members of the senate shall have assembled as a consequence of such first election they shall, by lot or drawing, be divided in each division into two classes. The seats of the members of the first class shall be vacated at the end of 2 years, and the seats of members of the second class shall be vacated at the end of 4 years, so that two members of the senate from each division shall, after such first election, be elected biennially at the regular election.

"(d) In any election held prior to the establishment of legislative districts pursuant to subsection (c) the electors in each judicial division shall be entitled to vote for as many senators and representatives as are to be elected to such office from such division. The candidates for each such office in the number to be so elected receiving the highest number of votes for such office shall be elected. In any election for senator or representative held after the establishment of legislative districts pursuant to subsection (c) the candidates in the number to be elected from each district for such office, receiving the highest number of votes of the electors of such district for such office, shall

be elected. In case of a tie vote in any election for senator or representative, the candidates affected shall settle the question by lot.

"(e) In case of a vacancy in either branch of the legislature the Governor shall order an election to fill such vacancy, giving due and proper notice thereof.

"(f) Each member of the legislature shall be paid by the United States the sum of \$15 per day for each day's attendance while the legislature is in session, at each regular biennial session thereof, and mileage, in addition, for each such session, at the rate of 15 cents per mile for each mile from his home to the capital and return by the nearest traveled route. All other legislative expenses, including salaries and mileage of the members at other than regular biennial sessions, shall be paid by the Territory."

Sec. 2. Section 7 of said act is amended to read as follows:

"Sec. 7. Organization of legislature: That when the legislature shall convene under the law, the senate and house of representatives shall each organize by the election of one of their number as presiding officer, who shall be designated in the case of the senate as 'president of the senate' and in the case of the house of representatives as 'speaker of the house of representatives,' and by the election by each body of the subordinate officers provided for in section 1261 of the United States Revised Statutes of 1878, and each of said subordinate officers shall receive the compensation provided in that section, which shall be paid by the Territory."

Sec. 3. Section 15 of said act is amended to read as follows:

"Sec. 15. Payment of legislative expenses: There shall be annually appropriated by Congress a sum sufficient to pay the salaries and mileage of members of the legislature for each regular biennial session. All other legislative expenses, including the salaries and mileage of the members of the legislature for other than the regular biennial sessions, the salaries of the employees of the legislature, the printing of the laws, and all other incidental expenses of the legislature, shall be appropriated and paid by the Territory. All of the sums so appropriated by Congress shall be disbursed by the Governor of Alaska, under sole instructions of the Secretary of the Treasury, and the Governor shall report quarterly to the Secretary of the Treasury for the manner in which said funds have been expended. No expenditure to be paid out of money to be appropriated by Congress shall be made by the Governor or by the legislature for objects not authorized by the acts of Congress making appropriations nor beyond the sum thus appropriated for such objects."

Sec. 4. (a) The amendments made by this act shall take effect only with respect to the sixteenth and succeeding legislatures of the Territory of Alaska.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RESPONSIBILITIES OF DISBURSING AND CERTIFYING OFFICERS

The Clerk called the next bill, H. R. 5785, to fix the responsibilities of disbursing and certifying officers, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That hereafter, notwithstanding the provisions of the act of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and section 4 of Executive Order No. 6166, dated June 10, 1933, disbursing officers under the executive branch of the Government shall (1) disburse moneys only upon, and in strict accordance with, vouchers duly certified by the head of the department, establishment, or

agency concerned, or by an officer or employee thereof duly authorized in writing by such head to certify such vouchers; (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, duly certified and approved, and correctly computed on the basis of the facts certified; and (3) be held accountable accordingly.

Sec. 2. The officer or employee certifying a voucher shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be required to give bond to the United States, with good and sufficient surety approved by the Secretary of the Treasury, in such amount as may be determined by the head of the department, agency, or establishment concerned, pursuant to standards prescribed by the Secretary of the Treasury, and under such conditions as may be prescribed by the Secretary of the Treasury; and (3) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: *Provided, That the Comptroller General may, in his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and that the United States has received value for such payment: Provided further, That the Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by title III, part II, section 322, of the Transportation Act of 1940, approved September 18, 1940, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land-grant deductions.*

Sec. 3. The liability of certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.

Sec. 4. Nothing contained herein shall apply to the disbursing functions under the jurisdiction of the War Department, the Navy Department (including the Marine Corps), and the Panama Canal, except those pertaining to departmental salaries and expenses in the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DELIVERY OF LETTERS ON INCOMING VESSELS

The Clerk called the next bill, H. R. 5692, amending section 204 of the act of March 4, 1909.

There being no objection, the Clerk read the bill, as follows:

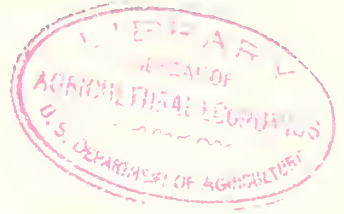
Be it enacted, etc., That section 204 of the act of March 4, 1909 (35 Stat. 1127; 18 U. S. C. 327), be amended to read as follows:

Book 3



77TH CONGRESS
1ST SESSION

H. R. 5785



IN THE SENATE OF THE UNITED STATES

OCTOBER 23, 1941

Read twice and referred to the Committee on Expenditures in the Executive Departments

AN ACT

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That hereafter, notwithstanding the provisions of the Act
4 of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and
5 section 4 of Executive Order Numbered 6166, dated June 10,
6 1933, disbursing officers under the executive branch of the
7 Government shall (1) disburse moneys only upon, and in
8 strict accordance with, vouchers duly certified by the head
9 of the department, establishment, or agency concerned, or
10 by an officer or employee thereof duly authorized in writing
11 by such head to certify such vouchers; (2) make such

1 examination of vouchers as may be necessary to ascertain
2 whether they are in proper form, duly certified and approved,
3 and correctly computed on the basis of the facts certified;
4 and (3) be held accountable accordingly.

5 SEC. 2. The officer or employee certifying a voucher
6 shall (1) be held responsible for the existence and correctness
7 of the facts recited in the certificate or otherwise stated on
8 the voucher or its supporting papers and for the legality of
9 the proposed payment under the appropriation or fund in-
10 volved; (2) be required to give bond to the United States,
11 with good and sufficient surety approved by the Secretary of
12 the Treasury, in such amount as may be determined by the
13 head of the department, agency, or establishment concerned,
14 pursuant to standards prescribed by the Secretary of the
15 Treasury, and under such conditions as may be prescribed by
16 the Secretary of the Treasury; and (3) be held accountable
17 for and required to make good to the United States the
18 amount of any illegal, improper, or incorrect payment result-
19 ing from any false, inaccurate, or misleading certificate made
20 by him, as well as for any payment prohibited by law or
21 which did not represent a legal obligation under the appro-
22 priation or fund involved: *Provided*, That the Comptroller
23 General may, in his discretion, relieve such certifying officer
24 or employee of liability for any payment otherwise proper
25 whenever he finds (1) that the certification was based on

1 official records and that such certifying officer or employee
2 did not know, and by reasonable diligence and inquiry could
3 not have ascertained, the actual facts, or (2) that the obliga-
4 tion was incurred in good faith, that the payment was not
5 contrary to any statutory provision specifically prohibiting
6 payments of the character involved, and that the United
7 States has received value for such payment: *Provided fur-*
8 *ther*, That the Comptroller General shall relieve such certify-
9 ing officer or employee of liability for an overpayment for
10 transportation services made to any common carrier covered
11 by title III, part II, section 322, of the Transportation Act
12 of 1940, approved September 18, 1940, whenever he finds
13 that the overpayment occurred solely because the adminis-
14 trative examination made prior to payment of the transpor-
15 tation bill did not include a verification of transportation
16 rates, freight classifications, or land-grant deductions.

17 SEC. 3. The liability of certifying officers or employees
18 shall be enforced in the same manner and to the same extent
19 as now provided by law with respect to enforcement of the
20 liability of disbursing and other accountable officers; and
21 they shall have the right to apply for and obtain a decision
22 by the Comptroller General on any question of law in-
23 volved in a payment on any vouchers presented to them
24 for certification.

25 SEC. 4. Nothing contained herein shall apply to the

1 disbursing functions under the jurisdiction of the War Depart-
2 ment, the Navy Department (including the Marine Corps),
3 and the Panama Canal, except those pertaining to depart-
4 mental salaries and expenses in the District of Columbia.

Passed the House of Representatives October 21, 1941.

Attest:

SOUTH TRIMBLE,

Clerk.

AN ACT

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

OCTOBER 23, 1941

Read twice and referred to the Committee on Expenditures in the Executive Departments

FIXING THE RESPONSIBILITIES OF DISBURSING AND
CERTIFYING OFFICERS

DECEMBER 17 (legislative day, DECEMBER 16), 1941.—Ordered to be printed

Mr. HILL, from the Committee on Expenditures in the Executive Departments, submitted the following

REPORT

[To accompany H. R. 5785]

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (H. R. 5785) to fix the responsibilities of disbursing and certifying officers and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

To accomplish the purposes of the bill, the Comptroller General of the United States, in his annual report for the fiscal year ended June 30, 1940, strongly urged enactment of legislation in a recommendation as follows:

DUTIES AND RESPONSIBILITIES OF CERTIFYING AND DISBURSING OFFICERS

The act of August 23, 1912 (37 Stat. 375, as amended, 31 U. S. C. 82), provides: "Except as otherwise provided, the administrative examination of all public accounts, preliminary to their audit by the General Accounting Office, shall be made as contemplated by section 78 of this title, and all vouchers and pay rolls shall be prepared and examined by and through the administrative heads of divisions and bureaus in the executive departments and not by the disbursing clerks of said departments, except those vouchers prepared outside of Washington prior to August 23, 1912, may continue to be so prepared and the disbursing officers shall make only such examination of vouchers as may be necessary to ascertain whether they represent legal claims against the United States."

Considerable doubt and difference of opinion have been manifested from time to time as to the effect and application of this provision of law, particularly as relates to liability of disbursing officers in cases of illegal or erroneous payments and the nature and extent of the examination required in order to satisfy the requirement that such officers shall ascertain whether vouchers and pay rolls "represent legal claims against the United States." The extent of the duties and responsibilities of disbursing officers has become even more doubtful as a

result of the following provisions of section 4 of Executive Order No. 6166, dated June 10, 1933:

"The Division of Disbursement of the Treasury Department is authorized to establish local offices, or to delegate the exercise of its functions locally to officers or employees of other agencies, according as the interests of efficiency and economy may require.

"The Division of Disbursement shall disburse moneys only upon the certification of persons by law duly authorized to incur obligations upon behalf of the United States. The function of accountability for improper certification shall be transferred to such persons, and no disbursing officer shall be held accountable therefor."

It is unnecessary for present purposes to analyze, or even to state, the various views which have been presented respecting the liability of disbursing and certifying officers under particular circumstances. Suffice it to say that considerable confusion exists as to the exact nature and extent of the duties and responsibilities of these two classes of officials. The result is a natural tendency on the part of some disbursing officers to feel that they are entitled to accept and rely upon the certificate of a certifying officer and that in the event of an illegal or erroneous payment the responsibility lies with the certifying officer; whereas some certifying officers, believing that the final responsibility for illegal and erroneous payments rests with the disbursing officer who makes the payment and who is a bonded official, may be inclined to assume that the certification of vouchers and pay rolls is merely a perfunctory duty.

It is essential to the enforcement of strict accountability for all expenditures of public funds that the duties and responsibilities of disbursing and certifying officers be made as definite and clear as possible. Also, it is considered desirable that, as between these two classes of officials, accounting responsibility in the case of improper expenditures be so divided and allocated as to provide the closest possible relationship between liability and fault. In other words, it is considered essential not only that the division of duty and responsibility be plainly and explicitly stated but that the division be on such a basis that the official who is in the best position to know the facts and the nature and validity of a given expenditure be held responsible for any improper payments made.

Considering the vast number of payments which disbursing officers are required to make—particularly disbursing officers in the Division of Disbursement, Treasury Department, who are required to disburse for so many different departments and establishments—it is apparent that it is impossible for them to make a thorough and exhaustive examination respecting each expenditure and that reliance must of necessity be placed upon the facts as shown on the vouchers and in the certificates made by the certifying officer. Accordingly, it is believed that the official who certifies to facts as shown on the vouchers and pay rolls, who asserts that the amount claimed is due and payable, and who is presumed to know the facts and the terms of the appropriation proposed to be charged, should be required to assume greater responsibility in the case of an improper payment than the disbursing officer who makes the payment in reliance upon that certification. Also, in order that adequate protection may be provided for the United States in the event of improper payments for which a certifying officer is responsible, it is necessary that such officials be bonded.

In some cases, of course, unauthorized payments will occur regardless of the degree of care and diligence exercised by certifying and disbursing officers and entirely without their fault or negligence. In such cases it is believed that these officers should not be held unqualifiedly answerable for the resulting loss. However, there appears to be a growing tendency on the part of administrative officials to sponsor legislation for the relief of disbursing officers in the case of improper payments without making a proper distinction between cases where the payment could have been prevented by the exercise of due diligence and cases where officials are wholly free from blame. Also, there appears to be an increasing number of appeals to the Congress for the granting of relief to disbursing officers and their sureties. For instance, the Seventy-sixth Congress, alone, enacted into law up to August 10, 1940, a total of over 30 private and public acts for the relief of such officers. The extent of the relief thus granted may be illustrated by the fact that in a number of instances these relief acts have not merely provided relief in the case of a single disbursing officer but have been in the form of omnibus bills covering relief for a large number of officers in a single enactment. Typical of this type of enactment is Private, No. 485, Seventy-sixth Congress, approved July 11, 1940, for the relief of certain disbursing officers of the Veterans' Administration, under the terms of which relief was granted to 35 disbursing

officers in a total exceeding \$100,000. Similarly, by Public, No. 34, Seventy-sixth Congress, approved April 13, 1939, relief was granted in the case of 23 accountable officers of the United States Army.

It is believed that if the Congress will define more clearly the respective responsibilities of disbursing and certifying officers and will vest in the Comptroller General authority to grant relief in cases where the freedom from fault and negligence is established, there will be greatly reduced the number of appeals to the Congress for relief of accountable officers such as are now being annually submitted. Furthermore, as the General Accounting Office would be prepared to make a careful and prompt analysis of the merits of each individual request for relief, it is believed that the handling of such matters by the Comptroller General would minimize the likelihood that relief would be granted in other than clearly meritorious cases. Then as to the less meritorious cases which might be presented to the Congress for consideration after the Comptroller General had denied relief therein, there could be made available to the Congress a full statement of the facts and of the reasons for withholding relief. Thus, not only would the number of appeals to the Congress for relief in such cases be reduced to a minimum but there would be available to the Congress an adequate record for its use in assessing the merits of such requests as would be presented to it.

To accomplish the purposes above mentioned, there is recommended the enactment of legislation to provide substantially as follows:

"That hereafter, notwithstanding the provisions of the Act of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and section 4 of Executive Order Numbered 6166, dated June 10, 1933, disbursing officers under the executive branch of the Government shall (1) disburse moneys only upon, and in strict accordance with, vouchers duly certified by the head of the department, establishment, or agency concerned, or by an officer or employee thereof duly authorized in writing by such head to certify such vouchers; (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, duly certified and approved, and correctly computed on the basis of the facts certified; and (3) be held accountable accordingly.

"Sec. 2. The officer or employee certifying a voucher shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be required to give bond to the United States, with good and sufficient surety approved by the Secretary of the Treasury, in such amount (and under such conditions as may be prescribed by the Comptroller General of the United States) as may be determined by the head of the department, agency, or establishment concerned, pursuant to standards prescribed by the Secretary of the Treasury, and under such conditions as may be prescribed by the Secretary of the Treasury; and (3) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: *Provided*, That the Comptroller General may, in his discretion, relieve such certifying officer or employee of liability for any (otherwise proper) payment otherwise proper (based on an erroneous statement of fact) whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and that the United States has received value for such payment: *Provided further*, That the Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by title III, part II, section 322, of the Transportation Act of 1940, approved September 18, 1940, whenever he finds that the overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land-grant deductions.

Sec. 3. The liability of certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.

SEC. 4. Nothing contained herein shall apply to the disbursing functions under the jurisdiction of the War Department, the Navy Department (including the Marine Corps), and the Panama Canal, except those pertaining to departmental salaries and expenses in the District of Columbia.

The bill varies from the language recommended by the Comptroller General only as shown by deletions, and additions in italics. The variations shown represent changes subsequently prepared and agreed upon by representatives of the Comptroller General's Office, the Treasury Department, and the Bureau of the Budget and are regarded by the committee as desirable.

The provisions of the bill will (1) fix definitely the responsibilities of disbursing and certifying officers and remove the existing doubt which leaves uncertain the beginning and ending of the responsibility of each of these groups of officers and (2) require that certifying officers be bonded as are disbursing officers under existing law, thus providing for the Government the complete bonded responsibility of both of these groups of officers.

For reasons which adequately appear in the above recommendation of the Comptroller General the committee feel that the bill will meet an important and urgent need of the Government.



Calendar No. 953

77TH CONGRESS
1ST SESSION

H. R. 5785

[Report No. 916]

IN THE SENATE OF THE UNITED STATES

OCTOBER 23, 1941

Read twice and referred to the Committee on Expenditures in the Executive Departments

DECEMBER 17 (legislative day, DECEMBER 16), 1941

Reported by Mr. HILL, without amendment

AN ACT

To fix the responsibilities of disbursing and certifying officers,
and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That hereafter, notwithstanding the provisions of the Act
4 of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and
5 section 4 of Executive Order Numbered 6166, dated June 10,
6 1933, disbursing officers under the executive branch of the
7 Government shall (1) disburse moneys only upon, and in
8 strict accordance with, vouchers duly certified by the head
9 of the department, establishment, or agency concerned, or
10 by an officer or employee thereof duly authorized in writing
11 by such head to certify such vouchers; (2) make such

1 examination of vouchers as may be necessary to ascertain
2 whether they are in proper form, duly certified and approved,
3 and correctly computed on the basis of the facts certified;
4 and (3) be held accountable accordingly.

5 SEC. 2. The officer or employee certifying a voucher
6 shall (1) be held responsible for the existence and correctness
7 of the facts recited in the certificate or otherwise stated on
8 the voucher or its supporting papers and for the legality of
9 the proposed payment under the appropriation or fund in-
10 volved; (2) be required to give bond to the United States,
11 with good and sufficient surety approved by the Secretary of
12 the Treasury, in such amount as may be determined by the
13 head of the department, agency, or establishment concerned,
14 pursuant to standards prescribed by the Secretary of the
15 Treasury, and under such conditions as may be prescribed by
16 the Secretary of the Treasury; and (3) be held accountable
17 for and required to make good to the United States the
18 amount of any illegal, improper, or incorrect payment result-
19 ing from any false, inaccurate, or misleading certificate made
20 by him, as well as for any payment prohibited by law or
21 which did not represent a legal obligation under the appro-
22 priation or fund involved: *Provided*, That the Comptroller
23 General may, in his discretion, relieve such certifying officer
24 or employee of liability for any payment otherwise proper
25 whenever he finds (1) that the certification was based on

1 official records and that such certifying officer or employee
2 did not know, and by reasonable diligence and inquiry could
3 not have ascertained, the actual facts, or (2) that the obliga-
4 tion was incurred in good faith, that the payment was not
5 contrary to any statutory provision specifically prohibiting
6 payments of the character involved, and that the United
7 States has received value for such payment: *Provided fur-*
8 *ther*, That the Comptroller General shall relieve such certify-
9 ing officer or employee of liability for an overpayment for
10 transportation services made to any common carrier covered
11 by title III, part II, section 322, of the Transportation Act
12 of 1940, approved September 18, 1940, whenever he finds
13 that the overpayment occurred solely because the adminis-
14 trative examination made prior to payment of the transpor-
15 tation bill did not include a verification of transportation
16 rates, freight classifications, or land-grant deductions.

17 SEC. 3. The liability of certifying officers or employees
18 shall be enforced in the same manner and to the same extent
19 as now provided by law with respect to enforcement of the
20 liability of disbursing and other accountable officers; and
21 they shall have the right to apply for and obtain a decision
22 by the Comptroller General on any question of law in-
23 volved in a payment on any vouchers presented to them
24 for certification.

25 SEC. 4. Nothing contained herein shall apply to the

1 disbursing functions under the jurisdiction of the War Depart-
 2 ment, the Navy Department (including the Marine Corps),
 3 and the Panama Canal, except those pertaining to depart-
 4 mental salaries and expenses in the District of Columbia.

Passed the House of Representatives October 21, 1941.

Attest:

SOUTH TRIMBLE,

Clerk.

77TH CONGRESS
1ST SESSION

H. R. 5785

[Report No. 916]

AN ACT

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

OCTOBER 23, 1941

Read twice and referred to the Committee on Expenditures in the Executive Departments

DECEMBER 17 (legislative day, DECEMBER 16), 1941

Reported without amendment

130019

section 4 (a) hereof concerning the distribution of political propaganda or in any other document filed with or furnished to the Attorney General under the provisions of this act willfully makes a false statement of a material fact or willfully omits any material fact required to be stated therein or willfully omits a material fact or a copy of a material document necessary to make the statements therein and the copies of documents furnished therewith not misleading—shall, upon conviction thereof, be punished by a fine of not more than \$10,000 or by imprisonment for not more than 5 years, or both.

"(b) In any proceeding under this act in which it is charged that a person is an agent of a foreign principal with respect to a foreign principal outside of the United States, proof of the specific identity of the foreign principal shall be permissible but not necessary."

"(c) Any alien who shall be convicted of a violation of, or a conspiracy to violate, any provision of this act or any regulation thereunder shall be subject to deportation in the manner provided by sections 19 and 20 of the Immigration Act of 1917 (39 Stat. 889, 890) as amended."

"(d) The Postmaster General may declare to be nonmailable any communication or expression falling within clause (2) of section 1 (j) hereof in the form of prints or in any other form reasonably adapted to, or reasonably appearing to be intended for, dissemination or circulation among two or more persons, which is offered or caused to be offered for transmittal in the United States mails to any person or persons in any other American republic by any agent of a foreign principal, if the Postmaster General is informed in writing by the Secretary of State that the duly accredited diplomatic representative of such American republic has made written representation to the Department of State that the admission or circulation of such communication or expression in such American republic is prohibited by the laws thereof and has requested in writing that its transmittal thereto be stopped."

"APPLICABILITY OF ACT"

"SEC. 9. This act shall be applicable in the several States, the District of Columbia, the Territories, the Canal Zone, the insular possessions, including the Philippine Islands, and all other places now or hereafter subject to the civil or military jurisdiction of the United States."

"RULES AND REGULATIONS"

"SEC. 10. The Attorney General may at any time make, prescribe, amend, and rescind such rules, regulations, and forms as he may deem necessary to carry out the provisions of this act."

"REPORTS TO THE CONGRESS"

"SEC. 11. The Attorney General shall, from time to time, make a report to the Congress concerning the administration of this act, including the nature, sources, and content of political propaganda disseminated or distributed."

"SEPARABILITY OF PROVISIONS"

"SEC. 12. If any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act, and the application of such provisions to other persons or circumstances, shall not be affected thereby."

"SEC. 13. This act is in addition to and not in substitution for any other existing statute."

"SHORT TITLE"

"SEC. 14. This act may be cited as the 'Foreign Agents Registration Act of 1938, as amended.'"

TRANSFER OF ADMINISTRATION

SEC. 2. Upon the effective date of this act, all powers, duties, and functions of the

Secretary of State under the act of June 8, 1938 (52 Stat. 631), as amended, shall be transferred to and become vested in the Attorney General, together with all property, books, records, and unexpended balances of appropriations used by or available to the Secretary of State for carrying out the functions devolving on him under the above-cited act. All rules, regulations, and forms which have been issued by the Secretary of State pursuant to the provisions of said act, and which are in effect, shall continue in effect until modified, superseded, revoked, or repealed.

EFFECTIVE DATE

SEC. 3. This act shall take effect on the sixtieth day after the date of its approval, except that prior to such sixtieth day the Attorney General may make, prescribe, amend, and rescind such rules, regulations, and forms as may be necessary to carry out the provisions of this act.

Mr. DANAHER. Mr. President, will the Senator yield to me for a moment?

Mr. KILGORE. Certainly.

Mr. DANAHER. Mr. President, as our colleague from West Virginia knows, he and I with others on the subcommittee of the Committee on the Judiciary who considered this proposed legislation, spent many hours in consideration and study of the problems involved. I should like to invite the attention of the Senator from West Virginia to page 40, the section which commences with line 6, and runs through line 20, and to recall to him the discussion we had as to whether, in the first place, that exemption should be in the bill, and whether the 1 percent or more should be retained as a basis for the degree of control of a corporation which was being sought. Does the Senator recall our discussions about that?

Mr. KILGORE. I do.

Mr. DANAHER. Let me say to the Senator that I have within the last 24 hours been consulted by several members of the House Committee on the Judiciary, who renewed to me much of the sort of argument and objection which we considered at such length in our committee. They tell me that if that section were out there would be no slightest obstacle, in their judgment, to the House receiving the bill, giving it a House number, and passing it at once. Whether the consideration of speed and expedition in the handling of the legislation is such as to justify our reconsidering the committee amendment in that particular at this time I leave to the Senator. I suggest to him respectfully, however, that the exemption we then discussed and placed in the bill, may not be necessary in the light of the fact that since the bill was reported from the committee we have also amended the Trading With the Enemy Act on the floor by passing the President's war powers bill. In that particular we have gone much farther with reference to the prohibition, much less the licensing, of the acquisition of stock in this country in behalf of a foreign principal, and it may well be that the powers given by the President's war powers measure go so much farther than anything we are doing or saying here that the proposed action may be unnecessary.

With such considerations in mind, if our colleague from West Virginia shares my view, as I now express it, that we

would be wise in deleting lines 6 to 20 inclusive, on page 20, I should be glad to have him offer the amendment, or if he chooses, I shall offer it.

Mr. KILGORE. I thank the Senator from Connecticut for his suggestion. We discussed the matter in the committee. The weakness which I see in the stand taken by the House is the fact that the Trading With the Enemy Act does not apply to puppet states such as Vichy, France, and Spain, and other countries whose nationals could come in and acquire stock. That was my only reason, as I stated in the committee, for insisting on the 1-percent rule, and requiring registration in order to block the Swiss or any other nationals in Europe from dealing through agents. This would not prevent the purchase of stock. It would simply require the registration of the principal who purchased it. I do not think it is an unreasonable requirement at a time like this. But the Department of Justice has no objection to striking out the provision, though I feel it should be left in the bill as a proper safeguard, as did the entire committee when we discussed it. What influence has been working in the House committee I do not know. But I still cling to my belief.

Mr. DANAHER. Let me say simply to the Senator that there is no amendment to the committee amendment pending; none has been offered by me. I am still supporting my own committee's position on the matter. I say, however, that it is a perfectly proper consideration to entertain at this time, in view of the fact that under the provisions of the Trading With the Enemy Act, as they appear in the War Powers Act which the Senate passed 2 or 3 days ago, the President may prohibit entirely all transactions of whatever kind for any foreign government, including puppet states. Let me say further, that he also may permit transactions under such regulations as he chooses to make. Therefore, since under his regulations he will have the power and, in fact, does have the power, to reach the very type of transaction involved here, I think we might be well advised to strike out lines 6 to 20, inclusive, on page 40 of the bill.

Mr. KILGORE. I may suggest to the Senator from Connecticut that he offer the amendment and let the Senate decide with respect to it, because I think as a result of this discussion, the Members of the Senate are well aware of the circumstances. Let the question be decided by the Senate.

Mr. DANAHER. I thank the Senator from West Virginia for his cooperation and courtesy in considering the matter. In order to bring it to a head, I move to strike from page 40 lines 6 to 17, inclusive.

The PRESIDING OFFICER (Mr. BARKLEY in the chair). The question is on agreeing to the amendment to the committee amendment offered by the Senator from Connecticut [Mr. DANAHER].

Mr. NORRIS. Mr. President, may we have the amendment stated?

The PRESIDING OFFICER. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 40 of the committee amendment it is pro-

posed to strike out lines 6 to 17, inclusive, as follows:

"The exemption under this subsection shall not be available to any person who knowingly secures or acquires, or assists in securing or acquiring, or attempts to secure or acquire, on behalf of a foreign principal or principals, for any purpose whatsoever, the ownership or control, direct or indirect, of 1 percent or more of the outstanding voting securities, or the direction or control by any means whatsoever of any of the policies of or of any partnership, association, corporation, organization, or other combination of individuals, organized or operating as a business enterprise under the laws of the United States or of any State or other place subject to the political or military jurisdiction of the United States."

Mr. NORRIS. Mr. President, I asked that the provision be read because, as I remember, the action of the Judiciary Committee did strike out what the amendment seeks to strike out. I may not have been present when final action was taken, but I heard the discussion in the Judiciary Committee, and it was my opinion that the consensus there was that there should be no limitation of 1 percent. A dozen corporations might each acquire 1 percent, which would not be very difficult, and thus be exempted from the operation of the law. I remember that in my participation in that discussion I took the attitude that I did not think that 1 percent ought to save a corporation if it were otherwise guilty, and that there ought to be no exemption. Therefore, I believe that the amendment should be agreed to.

The PRESIDING OFFICER. Does the Senator from West Virginia [Mr. KILGORE] desire recognition on the amendment?

Mr. KILGORE. I agree to the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. DANAHY], to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (S. 2060) was passed.

EXTENSION OF MILITARY SERVICE AND REGISTRATION OF MANPOWER—CONFERENCE REPORT

Mr. REYNOLDS submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6215) to amend the Selective Training and Service Act of 1940 by providing for the extension of liability for military service and for the registration of the manpower of the Nation, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments, as follows:

On page 2, line 3, of the Senate engrossed amendment strike out "nineteen" and in lieu thereof insert "twenty."

On page 2, line 4, of such Senate amendment strike out "nineteen" and in lieu thereof insert "twenty."

On page 4, line 11, of such Senate amendment strike out "nineteen" and in lieu thereof insert "twenty."

On page 4, line 12, of such Senate amendment strike out "nineteenth" and in lieu thereof insert "twentieth."

On page 4, lines 17 and 18, of such Senate amendment strike out all of section 8.

On page 4, line 19, of such Senate amendment strike out "Sec. 9" and in lieu thereof insert "Sec. 8."

On page 5, line 7, of such Senate amendment strike out "Sec. 10" and in lieu thereof insert "Sec. 9."

On page 5, line 11, of such Senate amendment strike out "Sec. 11" and in lieu thereof insert "Sec. 10."

On page 5, line 22, of such Senate amendment strike out "them" and in lieu thereof insert "him."

And the Senate agree to the same.

ROBERT R. REYNOLDS,
ELBERT D. THOMAS,
EDWIN C. JOHNSON,
WARREN R. AUSTIN,
STYLES BRIDGES,

Managers on the part of the Senate.

A. J. MAY,
R. EWING THOMASON,
DOW W. HARTER,
W. G. ANDREWS,
DEWEY SHORT,

Managers on the part of the House.

The conference report was agreed to. RESPONSIBILITIES OF DISBURSING AND CERTIFYING OFFICERS

Mr. HILL. Mr. President, I rise to ask unanimous consent for the present consideration of House bill 5785, Calendar No. 953. Before submitting the request let me say that the bill is strongly urged by the Comptroller General, Mr. Warren. It passed the House unanimously, and has been favorably reported by the Senate Committee on Expenditures in the Executive Departments.

Prior to the reorganization of 1933 each of the Government departments had its own disbursing officer. By the reorganization of 1933 the disbursing officers were abolished, and one disbursing officer was set up in the Treasury Department to do all the work of disbursement for all the departments with the exception of the War Department and the Navy Department. One disbursing officer now acts on the recommendations of certifying officers in the various departments.

As the law now stands, the certifying officers are not required to be bonded, and the Comptroller General feels very strongly that the certifying officers should be under bond.

There has also been some confusion as between the duties of the disbursing officers and those of the certifying officers. The Comptroller General feels that the duties of the respective officers should be specifically stated in the statute so as to eliminate the confusion. That is what the bill does. It requires that the certifying officers of all the

various departments shall be under bond, and it makes clear and specific the duties of the disbursing officer and the duties of the various certifying officers.

I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 5785) to fix the responsibilities of disbursing and certifying officers, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HILL. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

Sec. 5. This act shall become effective on the 1st day of the fourth month following the date of its enactment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama.

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5785) was read the third time, and passed.

Mr. HILL. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter from General Hines, Administrator of Veterans Affairs, addressed to me as chairman of the Senate Committee on Expenditures in the Executive Departments, enclosing a copy of a letter from the Comptroller General to General Hines.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

VETERANS' ADMINISTRATION,
Washington, November 17, 1941.

Hon. LISTER HILL,
United States Senate, Washington, D. C.

MY DEAR SENATOR HILL: Further reference is made to your letter dated October 25, 1941, requesting a report on H. R. 5785, Seventy-seventh Congress, "An act to fix the responsibility of disbursing and certifying officers, and for other purposes."

In connection with the preparation of a report on this bill, the Veterans' Administration addressed a letter to the Comptroller General, under date of November 4, 1941, asking his views as to the effects of the bill. If enacted, on certain laws administered by the Veterans' Administration. Under date of November 12, 1941, the Comptroller General, after quoting the above-mentioned letter dated November 4, 1941, set forth his views as to the effects of the bill, if enacted, particularly with reference to the questions raised by the Veterans' Administration. A copy of the Comptroller General's letter dated November 12, 1941, is enclosed.

Assuming that your committee will concur in the views of the Comptroller General as to the purpose and effects of the bill, if enacted, the Veterans' Administration has no objection to the proposed legislation.

If the bill is to receive favorable consideration by your committee, it is suggested that it would be desirable to incorporate the Comptroller General's letter in the committee's report on the bill to remove any doubt as to its purpose and scope, if enacted.

Advice has been received from the Bureau of the Budget that there would be no objection by that office to the submission of this report to your committee.

Very truly yours,

FRANK T. HINES, *Administrator.*

COMPTROLLER GENERAL OF THE
UNITED STATES,
WASHINGTON, November 12, 1941.
ADMINISTRATOR OF VETERANS' AFFAIRS,
Veterans' Administration.

MY DEAR GENERAL HINES: I have your letter of November 4, 1941, as follows:

"Pursuant to understanding reached in conference between representative of this Administration and your office, I have the honor to present for your consideration certain questions of seeming doubt in connection with the probable construction of certain provisions of H. R. 5785, Seventy-seventh Congress, 'A bill to fix the responsibility of disbursing and certifying officers, and for other purposes.'

"The bill, having been passed by the House of Representatives, is now pending before the Senate Committee on Expenditures in the Executive Departments. Pursuant to a request of the chairman of said committee for a report, there has been prepared the attached proposed letter calling attention to possible application of certain provisions of the bill which it is feared would be inimical to the purposes of the laws administered by the Veterans' Administration. It is appreciated that the bill is broadly drawn and that it could be construed other than as indicated and in such manner as not to affect or repeal, by implication or otherwise, existing provisions of laws pertaining to veterans. In view of the doubts that have been expressed, I shall be glad to have the advantage of any views you may express regarding specifically the points mentioned herein.

"Aside from purely administrative and procedural questions, the more important points relate to (1), statutes permitting, under prescribed conditions, the waiving of overpayments under laws pertaining to veterans, (2) the relief of disbursing and certifying officers where such payments have been waived, and (3) the finality of decisions on questions of fact and law in connection with claims for gratuities and benefits provided by such laws.

"The provisions with respect to waiver have been in effect for many years and are contained in Section 28 of the Act of June 7, 1924, as amended, World War Veterans Act, which was saved from repeal by Section 7, Public No. 2, Seventy-third Congress. Such provisions have been extended to benefits under more recent legislation by the first section of Public No. 866, Seventy-sixth Congress, adding the section numbered 6 to Public No. 484, Seventy-third Congress.

"Because of the apparent inequity of holding disbursing officers in cases where recovery from the payee is waived, thereby depriving such officers of right of recoupment, legislation has been enacted from time to time relieving such officials in such instances. The present law applicable to both disbursing and certifying officers is Public, No. 324, Seventy-sixth Congress, approved August 7, 1939, which provides:

"That no disbursing officer and no certifying officer of the Veterans' Administration shall be held liable for any amount paid to any person where the recovery of such amount from the payee is waived under existing laws administered by the Veterans' Administration."

"While not a necessary, it would seem that a probable construction of the pending bill, if enacted into law, would be to set up a different measure of relief for disbursing and certifying officers; and to the extent that there is any conflict it would seem that the later enacted law would be controlling.

"The third question arises through the provision of section 3 of the pending bill to the effect that certifying officers shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in the payment on any vouchers presented to them for certification. For the purpose of expediting the granting of relief in connection with laws administered by the former Veterans' Bureau and the Veterans' Administration, provision has been made for years for the finality of decisions by the head of the agency. Section 5 of the act of June 7, 1924, World War Veterans' Act, contained such provision with respect to questions of fact, and said section, as amended July 3, 1930, included questions of law. These provisions were reenacted in more definite form in section 5, Public, No. 2, Seventy-third Congress, and were given broader uniform application in section 11, Public, No. 866, Seventy-sixth Congress. Similar provisions were enacted in section 310, World War Adjusted Compensation Act.

"Having in mind that repeal by implication is not favored, it may well be that the provisions of section 3 should not be construed or applied so as to affect the finality of decisions under the statutes mentioned above. On the other hand, if there should be any doubt with respect to this matter either as to the intent of the Congress to modify existing law or not to repeal the same, it would seem to be proper and desirable legislative procedure to amend the pending bill in the interests of certainty and clarity. If, for example, it be the intent not to repeal or modify the provisions of existing law in this respect, this could be made certain by adding a proviso to section 3 to the effect that the provisions thereof (concerning the right to request legal opinions of the Comptroller General) should not apply to any case wherein the decision of a Government agency is made final by statute. It may be, indeed, that such amendment is not considered necessary, but in view of the careful thought and attention that have been given to such matters in the past resulting in the legislation mentioned, it would seem that consideration should be given to this question in connection with the pending bill.

"As indicated, I shall be very glad to have the benefit of your views and will gladly cooperate with you to any extent desired in connection with resolving any doubtful questions."

You will understand, of course, that as a general rule it would not be proper for me to attempt an authoritative construction of a bill pending before the Congress, or to render a binding decision in that respect. However, since the bill H. R. 5785 was introduced in the Congress as a result of the recommendations of this office as contained in the Annual Reports of the Comptroller General for the fiscal years 1939 and 1940, for the purposes therein indicated and in substantially the form recommended, I have no hesitancy in informing you that if the bill be enacted in its present form I would not construe the enactment as affecting—by way of modification, repeal, suspension, or otherwise—any statutes such as those mentioned in your letter relating specifically to waiver of overpayments or recoveries, the relief of disbursing and certifying officers, the finality of administrative decisions, etc.

The need for the legislation contemplated by the bill H. R. 5785 is explained fully in the annual reports of the Comptroller General, referred to above, and has arisen by reason of the confusion presently existing as to the exact nature and extent of the duties and

responsibilities of disbursing and certifying officers. The purpose of the bill is not to enlarge the ultimate liability with respect to properly accounting for public funds but, as evidenced by its title, its purpose is to fix definitely the responsibilities of disbursing and certifying officers by clearly defining their separate respective duties and liabilities in order that the present confusion with respect thereto no longer will exist. Also, it is intended to vest in this office authority which it does not now have to grant relief in certain meritorious cases in which, under existing law, relief could be granted only by specific action thereon by the Congress. In other words, the bill would provide an additional means of relief without taking away any existing means.

There appears nothing in the bill indicating—and no apparent basis for inferring from the objects sought to be accomplished—that, in the final analysis, there should be a liability of the Government for an improper payment where, under existing laws such as those mentioned by you, there now is no liability.

The foregoing appears amply supported by the well-established principles that statutes should be given a reasonable construction consistent with the circumstances under which they are enacted and the objects and purposes sought to be accomplished; that repeals by implication are not favored; and that where there are two statutes upon the same subject, the earlier being special and the later general—as would be the situation here—the presumption is, in the absence of an express repeal or an absolute incompatibility, that the special statute is to remain in force.

Under the circumstances, I believe you will agree that no amendment to the bill H. R. 5785 is necessary to preserve any authority the Administrator of Veterans' Affairs or the Veterans' Administration now has under the specific statutes mentioned in your letter or under any other statutes.

Respectfully,

LINDSAY C. WARREN,
Comptroller General of the United States.

PRICE CONTROL—OILS AND FATS

Mr. BROWN. Mr. President, I have been in touch with the Office of Price Administration most of the day, and I am very happy to be able to say that the Price Administrator is now engaged in a reconsideration of his orders affecting the prices of cottonseed oil and various other oils which are in the same general classification. There are about 1,800. He will endeavor to bring the prices into line with the provisions and limitations fixed in the House bill as it passed the House, and in the bill as it was recommended to the full committee by the subcommittee of the Committee on Banking and Currency, which had charge of the matter.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BROWN. I yield to the Senator from Tennessee.

Mr. McKELLAR. As I understand, the price of oil will be fixed at 12¾ cents instead of 11¼ cents?

Mr. BROWN. I believe it is fair to say that that will be the probable result of reconsideration by the Price Administrator. I am advised that a short time—I think a matter of a few days—will be required to prepare the schedules and to make the formal announcement. But I am authorized to say that the limitations as contained in the bill passed by the House and as contained in the bill

as recommended to the full committee of the Senate by the subcommittee will be used as the basis for reconsideration of the prices fixed on oil; and I think that fully complies with the recommendations which the majority leader and myself made yesterday to the Price Administrator, and the representations which I made to the Senate at the time consideration of the Bankhead resolution was postponed.

Is there any question in the mind of any Senator interested in the matter?

Mr. WHEELER. I did not hear the Senator's opening statement with reference to what is proposed. Does he propose to introduce a bill?

Mr. BROWN. No. The Senator from Alabama [Mr. BANKHEAD] and some 27 other Senators who are interested in the prices of various fats and oils, particularly cottonseed oil, were somewhat upset by the announcement that, by a very recent order of the Price Administrator, a price of 11¼ cents per pound had been fixed as a ceiling beyond which the cottonseed price could not go. Let me say to the Senator from Montana and to any other Senators who were not present yesterday, that the House has passed, and the subcommittee of the Committee on Banking and Currency has approved, a limitation which would prevent the Administrator from fixing prices below the price level of any agricultural commodity price as of October 1, 1941. In the case of cottonseed oil that price is about 12¾ cents per pound.

In view of the resolution which the Senator from Alabama submitted, I thought it was fair to call the attention of the Price Administrator to the provision which would probably be enacted into law in the next 2 or 3 weeks as a floor below which he cannot go, and that it would be entirely proper for him to give consideration to that floor in his determination or reconsideration of this question. He is now doing so.

Mr. WHEELER. Then the Senator is not trying to take up the bill this afternoon?

Mr. BROWN. Oh, no.

The PRESIDING OFFICER. Has the Senator from Michigan completed his statement?

Mr. BROWN. I have.

DEFENSE HOUSING

Mr. ELLENDER. Mr. President, from the Committee on Education and Labor I report favorably, with amendments, House bill 6128, and I submit a report (Rept. No. 918) thereon. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McNARY. Mr. President, two members of the committee have ex-

pressed a desire to be present when the bill is considered. I should like to have the opportunity to send for them. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Mahoney
Austin	Green	Overton
Bailey	Gurney	Pepper
Ball	Hatch	Radcliffe
Barkley	Hayden	Reed
Brewster	Herring	Reynolds
Bridges	Hill	Rosier
Brooks	Holman	Russell
Brown	Johnson, Calif.	Schwartz
Bulow	Johnson, Colo.	Shipstead
Bunker	Kilgore	Spencer
Burton	La Follette	Stewart
Butler	Langer	Thomas, Idaho
Byrd	Lee	Thomas, Okla.
Capper	Lodge	Thomas, Utah
Caraway	Lucas	Tobey
Chandler	McCarran	Truman
Chavez	McFarland	Tunnell
Clark, Idaho	McKellar	Tydings
Clark, Mo.	McNary	Vandenberg
Connally	Maloney	Van Nuys
Danaher	Maybank	Wagner
Davis	Mead	Wallgren
Downey	Murdoch	Walsh
Doxey	Murray	Wheeler
Ellender	Norris	White
George	Nye	Wiley
Gerry	O'Daniel	Willis

The PRESIDING OFFICER. Eighty-four Senators have answered to their names. A quorum is present.

Is there objection to the request of the Senator from Louisiana for the present consideration of House bill 6128, reported from the Committee on Education and Labor?

Mr. McNARY. Mr. President, I suggested the absence of a quorum because of the absence from the floor of the Senate of a few Senators who I thought should be present at the time the bill is considered.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6128) to amend the act entitled "An act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, which had been reported from the Committee on Education and Labor with amendments.

Mr. ELLENDER. Mr. President, the purpose of House bill 6128 is to amend in certain particulars the so-called Lanham Act. A subcommittee of the Committee on Education and Labor of the Senate held hearings on the bill and submitted a unanimous report to the full committee. The full committee, in turn, unanimously reported the bill which is now before the Senate.

I shall endeavor to point out the most important provisions which were adopted by the House, and which were, in turn, either accepted or modified by the Senate Committee on Education and Labor.

The House provided that the cost of permanent family dwellings should be—

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. CONNALLY. Is the Senator going to move to consider the bill or has

it already been taken up by the Senate?

Mr. ELLENDER. That has already been done by the Senate and the bill is now under consideration.

Mr. CONNALLY. I think the Senator from Connecticut [Mr. MALONEY] should be present, and I hope the officers of the Senator will see that he is notified.

The PRESIDING OFFICER. The Chair is advised that the Senator from Connecticut has been sent for.

Mr. ELLENDER. Mr. President, the House of Representatives increased the average cost of permanent family dwelling units located within the continental United States from \$3,500, which is now the limit in the Lanham Act, to \$3,750. In view of the evidence adduced before it, the Committee on Education and Labor of the Senate thought the amount should remain at \$3,500.

The House of Representatives also increased the average cost of permanent dwelling units outside the continental United States, exclusive of Alaska, from \$4,000 to \$4,250, and, in like manner, the committee thought that the limit of cost should remain as is now provided in the Lanham Act. Also, the House provided an increase in the limit on any family dwelling unit from \$3,950, as provided in the Lanham Act, to \$4,500, and the Senate committee recommends that this increase be eliminated from the bill.

The only addition to that section recommended by the committee is a provision to build housing in the Territory of Alaska, and, because Alaska is so far removed from continental United States, and it is rather difficult to obtain materials with which to build houses there, it is provided that the cost of such housing shall not exceed \$7,500 per family dwelling unit.

Under the Lanham Act three classes of employees are entitled to relief in connection with housing. They are, first, enlisted men in the naval or military services of the United States; second, employees of the United States in the Navy and War Departments assigned to duty at naval or military reservations, posts, or bases; and, third, workers engaged or to be engaged in industries connected with and essential to the national defense. The committee has added two other classes of employees. The first is:

(4) Employees of the United States whose duties are essential to the national defense.

The purpose of that amendment is to take care of housing in such places as the District of Columbia and other communities in a like situation.

Then the committee added a fifth class of persons by an amendment, which reads as follows:

(5) Officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard not above the grade of lieutenant, senior grade, subject to regulations to be prescribed by the Secretary of War and/or the Secretary of the Navy.

It was pointed out to the committee that the officers in the foregoing lower grades receive from \$1,800 to \$2,400 a year, and it was thought that some provision should be made in order to take

money coming from your State and my State to make up these deficiencies—they have been insufficient for at least the past 7 years to provide for the major operations on the highways of the District which have become increasingly necessary to meet to the best advantage the rapidly increasing demands of motor-vehicle traffic. As a result, while the automobile users of the District have been enjoying a reduced gasoline tax equal to about one-half of the average rate of gasoline tax in the United States, they have failed to make the major improvements in their highways which the increasing traffic has demanded.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Speaker, I yield 3 additional minutes to the gentleman from Indiana.

Mr. SPRINGER. I hold in my hand an analysis of the Federal contributions which have been made to the District of Columbia from 1925 to 1940, both years inclusive—money which came from taxes paid by the taxpayers of your State and my State—to the extent of \$118,875,000. I repeat, those appropriations came from the Federal Treasury and thereby made necessary increased taxation of your people and my people.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. BATES of Massachusetts. Do I understand the gentleman is opposing the conference report?

Mr. SPRINGER. I am opposing the conference report; yes. And may I say in addition that if this tax remains at the 1-cent increase, as proposed by this conference report, the highway improvement program proposed by the committee will not be completed for approximately 12 years. If this gasoline tax is fixed at 4 cents per gallon, as this bill passed the House, the program will be completed in approximately 8 years, and funds will be available for other purposes that will thereby decrease the taxes which are placed upon the people in the various States of our great Nation, for the purpose of making funds with which to aid the District of Columbia in maintaining her government.

For the reasons I have assigned and because of the unfairness of the rate as between the District of Columbia and the various States of the Union, I ask that this conference report be rejected and that the conferees be instructed to insist on increasing the rate of gasoline tax to 4 cents per gallon so that it is fair and equitable to the other States of the Nation.

The District of Columbia is favored, indeed. In the Washington Post, of this date, on page 34, we find an article which comments upon the fact that Washington, D. C., has the lowest tax rate of any large city in our Nation. The tax upon real estate is very low—\$1.75 on each \$100 of value; there is an exemption of \$1,000 on the personal property of each taxpayer. With an unusually low rate of gasoline tax—which is now but 2 cents per gallon—the people do not pay taxes here nearly equal to the taxes paid by the people of the several States. There should be a fairness on the part of the District—and, until she pays her fair share of the maintenance of her own

government, the several States should not be called upon to assist her. The people in our Nation's Capital should bear their fair and equitable portion of taxes—and they should maintain their own government.

[Here the gavel fell.]

Mr. RANDOLPH. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Speaker, as a member of the Committee on the District of Columbia and also of the Fiscal Relations Committee for the past 5 years, I have a full appreciation of the point the gentleman has expressed in his discussion of this matter. I am heartily in favor myself of increasing the gasoline tax, and have so stated in the committee on many occasions, by 2 additional cents.

I believe the problem we are up against today, however, is whether or not we will accept this compromise report of the conference committee or allow the bill to fail of passage at this session and get nothing from the additional 1 cent. After the first of the year we enter a new session, and it may be several months before we can again initiate legislation that will bring in additional revenue in order to carry the tremendous load of the highway-improvement program mentioned by the gentleman from Indiana and by the District Commissioners. For these reasons I believe it is just common sense to accept the conference report in the hope that later on, after the first of the year, the District of Columbia Committee and the Subcommittee on Fiscal Affairs, of which I am a member, as well as the gentleman from Illinois [Mr. DIRKSEN], who also has approved the 2-cent increase, will be able to give further impetus to this particular question.

I hope the conference report will be agreed to.

Mr. RANDOLPH. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I have no desire to detain the House at this late hour except to round out the debate on this conference report. I trust there will be no disposition to delay this important matter. The gentleman from Illinois [Mr. DIRKSEN] a member of the subcommittee which considered this subject very carefully and ranking minority member of the full committee that has been active in considering this subject for many months, has signed the conference report along with your chairman who is now speaking. The gentleman from Indiana [Mr. SCHULTE], who preferred 2 cents, has also agreed and has joined the gentleman from Illinois [Mr. DIRKSEN], and myself in submitting this report to the House.

The gentleman from Indiana [Mr. SPRINGER], will recognize, of course, that the Chairman of the House District Committee was perhaps the first individual who presented a bill to Congress for an increase in the gasoline tax in the District of Columbia. I did so for the reason that more money must be available to improve the streets, bridges, and so forth, here. I cannot therefore be charged with any dereliction of desire to meet this problem as it confronts the

taxpayers, not only of the District of Columbia but as it bears indirectly on the adjoining States as well.

The gentleman from Indiana contends that the needed work will not be done in a sufficient number of years under the 1-cent increase. With that view there can be disagreement. However this is a beginning, a very desirable one. I now read a letter addressed to Hon. HAROLD H. BURTON, United States Senate, in which Mr. Thomas H. MacDonald, Commissioner of the United States Bureau of Public Roads under date of December 18, 1941, writes as follows:

DECEMBER 18, 1941.

HON. HAROLD H. BURTON,

United States Senate.

MY DEAR SENATOR BURTON: This will confirm the statements which I have made to you in several recent conferences relative to the emergency road program for the District of Columbia.

The present traffic across the Potomac River between Washington and Virginia points is in excess of the capacity of the highway and bridge facilities now available. Superimposed upon this situation, the new War Department Building and other activities of the Federal defense agencies now definitely located on the Virginia side of the river will require a new movement of an estimated twenty to thirty thousand people across the river twice each day.

The access roads on both sides of the river which lead to or carry traffic away from the now available bridges must be completed simultaneously with the building operations to house this large concentration of employees.

There are four projects in the District of Columbia road program which have become of emergency importance because of their relation to the movement of traffic in this area.

After numerous conferences as to ways and means of financing the emergency program required in order to obtain completion of these projects at the earliest practicable date, we have agreed to include an allotment of \$2,500,000 from funds carried for access roads in the Defense Highway Act.

Very truly yours,

THOS. H. MACDONALD,
Commissioner.

That statement throws a light on what is to be done on defense roads into the District, supplementing the program to be carried out with the funds to be raised by the added gas tax.

At this point I wish to state that Senator BURTON has given thorough study to this problem as chairman of the subcommittee of the Senate District Committee that has looked into this situation and which has held extensive hearings. He feels that 2 cents is not now needed to finance the highway improvements.

Let us remember that we are embarking on a highway program, with funds by an additional tax, to run for 9½ years. We are carrying this program not only to 1949, as in the original House bill, but are extending it to June 30, 1951, as provided in the Senate measure. This will bring in approximately \$1,500,000 annually in excess of the present gas revenue for the District, which is, roughly, \$1,700,000 a year. The additional 1 cent makes the District of Columbia tax now 3 cents plus the 1½ cents Federal tax.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.
The conference report was agreed to.
A motion to reconsider was laid on the table.

RESPONSIBILITY OF DISBURSING AND CERTIFYING OFFICERS

Mr. COCHRAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5785, to fix the responsibilities of disbursing and certifying officers, and for other purposes, with a Senate amendment thereto and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 4, after line 4, insert:

"Sec. 5. This act shall become effective on the first day of the fourth month following the date of its enactment."

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, will the gentleman explain the changes made in the bill?

Mr. COCHRAN. Mr. Speaker, this bill was favorably reported by the House committee unanimously. It passed the House unanimously. The Comptroller General, Mr. Warren, sent an amendment to the Senate which was adopted by that body merely providing for the effective date. Mr. Warren said it would take about 4 months for the various departments and Government agencies to comply with the law. This is all the amendment provides.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. COCHRAN]?

There was no objection.

The Senate amendment was agreed to.
A motion to reconsider was laid on the table.

POSSESSION OF DANGEROUS WEAPONS AND EXPLOSIVES ON BOARD CERTAIN VESSELS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2119, to prohibit the possession of dangerous weapons and explosives on board certain vessels, and I ask its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Virginia [Mr. BLAND]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, this bill has had committee consideration?

Mr. BLAND. The bill has had committee consideration, and it was reported unanimously by the committee with an amendment which I have sent to the Clerk's desk.

Mr. MICHENER. Will the gentleman state for the benefit of the other Members of the House what the bill does?

Mr. BLAND. The bill is one requested by the Attorney General of the United States, and the first paragraph of the letter to the Speaker of the House covers existing law.

Under existing law, seamen are prohibited from wearing sheath knives

aboard any ship registered, enrolled, or licensed under the laws of the United States. There is, however, no law forbidding a person to carry explosives or dangerous weapons on board any such vessel, nor prohibiting the possession of such dangerous instrumentalities thereon. Upon a study made by the Attorney General, it was found that this hiatus prevailed in the existing law, and this is for the purpose of correcting it.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any person who brings, carries, or has in his possession any dangerous weapon, instrument, or device, or any dynamite, nitroglycerine, or other explosive article or compound on board of any vessel registered, enrolled, or licensed under the laws of the United States, or any vessel purchased, requisitioned, chartered, or taken over by the United States pursuant to the provisions of the act entitled "An act to authorize the acquisition by the United States of title to or the use of domestic or foreign merchant vessels for urgent needs of commerce and national defense, and for other purposes," approved June 6, 1941 (Public, No. 101, 77th Cong., 1st sess.), without previously obtaining the permission of the owner or the master of such vessel, or any person who brings, carries, or has in his possession any such weapon or explosive on board of any vessel in the possession and under the control of the United States or which has been seized and forfeited by the United States or upon which a guard has been placed by the United States pursuant to the provisions of title II of the act entitled "An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes," approved June 15, 1917 (40 Stat. 220, U. S. C., title 50, secs. 191-194), without previously obtaining the permission of the captain of the port in which such vessel is located, shall, upon conviction, be imprisoned not more than 1 year or fined not more than \$1,000, or both.

SEC. 2. The provisions of this act shall not apply to the personnel of the armed forces of the United States or to officers or employees of the United States or of a State or of a political subdivision thereof, while acting in the performance of their duties, who are authorized by law or by rules or regulations to own or possess any such weapon or explosive.

Mr. BLAND. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BLAND: At the end of the bill add as a new section, to be known as section 3, the following:

"Sec. 3. Nothing in this act shall be construed to alter, amend, or repeal any provision of section 4472 of the Revised Statutes of the United States, as amended (54 Stat. 1023; U. S. C. 1940 Ed., title 46, sec. 170)."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTROL OF MARIHUANA IN THE CANAL ZONE

Mr. BLAND. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 6196) to amend the Canal Zone Code in relation to the control of marihuana.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

Mr. MICHENER. Reserving the right to object, Mr. Speaker, has this bill been considered by the committee?

Mr. BLAND. This bill was considered at the same time as the other bill and unanimously reported by the committee. The report has already been filed with the House.

Mr. MICHENER. I ask that the gentleman explain the bill. These are very important bills and we do not want to interfere with them, but I doubt the advisability of coming in late at night with important legislation of this kind without saying anything to anybody about it, rising on the floor, receiving recognition, and attempting to pass very vital legislation by unanimous consent. It should not be done. In the future on this side we shall object to any legislation that is brought up by the gentleman from Virginia or anyone else unless they at least tell us they are going to bring it up.

Mr. BLAND. If the gentleman will pardon me, I took this matter up with the minority leader, the gentleman from Massachusetts [Mr. MARTIN], and obtained his consent to bringing up these bills.

Mr. MICHENER. The gentleman from Massachusetts told me what was coming up but evidently he just neglected to put that on the list.

Mr. BLAND. The gentleman was shown both bills and agreed that they might be brought up. There was no objection to them. I always do that.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The Clerk read the bill, as follows:

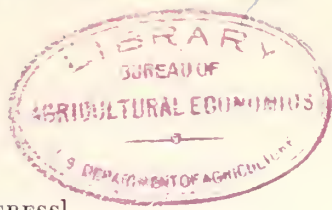
Be it enacted, etc., That chapter 11 of title 5 of the Canal Zone Code, approved June 19, 1934 (48 Stat. 1122), relative to crimes against the public health and safety, is amended by adding at the end of said chapter a new article numbered 9 and reading as follows:

"ARTICLE 9—MARIHUANA

"SEC. 581. Control of marihuana: It shall be unlawful for any person to produce, manufacture, compound, possess, sell, give away, deal in, dispense, administer, or transport marihuana in the Canal Zone, or to import marihuana into or export it from the Canal Zone, except under license as provided in section 583 of this title: *Provided, however,* That nothing in sections 581 to 584 of this title shall be construed to affect any provision of the Internal Revenue Code of the United States relative to the sending, carriage, transportation, or delivery of marihuana from the Canal Zone into any State, Territory, the District of Columbia, or insular possession of the United States: *And provided further,* That nothing in sections 581 to 584 of this title shall apply to marihuana aboard vessels which enter and depart from Canal Zone waters without discharging any of such marihuana, or to shipments of marihuana by common carrier in transit through the Canal Zone, even though such marihuana be discharged at a port of the Canal Zone for transshipment.

"SEC. 582. Definitions: As used in sections 581 to 584 of this title, the term 'marihuana' shall have the meaning now or hereafter ascribed to it in the Internal Revenue Code of the United States, and the term 'produce' shall mean (a) plant, cultivate, or in any





[PUBLIC LAW 389—77TH CONGRESS]

[CHAPTER 641—1ST SESSION]

[H. R. 5785]

AN ACT

To fix the responsibilities of disbursing and certifying officers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter, notwithstanding the provisions of the Act of August 23, 1912 (37 Stat. 375; 31 U. S. C. 82), and section 4 of Executive Order Numbered 6166, dated June 10, 1933, disbursing officers under the executive branch of the Government shall (1) disburse moneys only upon, and in strict accordance with, vouchers duly certified by the head of the department, establishment, or agency concerned, or by an officer or employee thereof duly authorized in writing by such head to certify such vouchers; (2) make such examination of vouchers as may be necessary to ascertain whether they are in proper form, duly certified and approved, and correctly computed on the basis of the facts certified; and (3) be held accountable accordingly.

SEC. 2. The officer or employee certifying a voucher shall (1) be held responsible for the existence and correctness of the facts recited in the certificate or otherwise stated on the voucher or its supporting papers and for the legality of the proposed payment under the appropriation or fund involved; (2) be required to give bond to the United States, with good and sufficient surety approved by the Secretary of the Treasury, in such amount as may be determined by the head of the department, agency, or establishment concerned, pursuant to standards prescribed by the Secretary of the Treasury, and under such conditions as may be prescribed by the Secretary of the Treasury; and (3) be held accountable for and required to make good to the United States the amount of any illegal, improper, or incorrect payment resulting from any false, inaccurate, or misleading certificate made by him, as well as for any payment prohibited by law or which did not represent a legal obligation under the appropriation or fund involved: *Provided*, That the Comptroller General may, in his discretion, relieve such certifying officer or employee of liability for any payment otherwise proper whenever he finds (1) that the certification was based on official records and that such certifying officer or employee did not know, and by reasonable diligence and inquiry could not have ascertained, the actual facts, or (2) that the obligation was incurred in good faith, that the payment was not contrary to any statutory provision specifically prohibiting payments of the character involved, and that the United States has received value for such payment: *Provided further*, That the Comptroller General shall relieve such certifying officer or employee of liability for an overpayment for transportation services made to any common carrier covered by title III, part II, section 322, of the Transportation Act of 1940, approved September 18, 1940, whenever he finds that the

overpayment occurred solely because the administrative examination made prior to payment of the transportation bill did not include a verification of transportation rates, freight classifications, or land-grant deductions.

SEC. 3. The liability of certifying officers or employees shall be enforced in the same manner and to the same extent as now provided by law with respect to enforcement of the liability of disbursing and other accountable officers; and they shall have the right to apply for and obtain a decision by the Comptroller General on any question of law involved in a payment on any vouchers presented to them for certification.

SEC. 4. Nothing contained herein shall apply to the disbursing functions under the jurisdiction of the War Department, the Navy Department (including the Marine Corps), and the Panama Canal, except those pertaining to departmental salaries and expenses in the District of Columbia.

SEC. 5. This Act shall become effective on the first day of the fourth month following the date of its enactment.

Approved, December 29, 1941.

